

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - Second Regular Session

MAJORITY CAUCUS CALENDAR #15

March 17, 2016

Bill Number	Short Title	Committee	Date	Action
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BLUE SHEET #4 (concur/refuse)

Committee on Banking and Financial Services

Chairman: Kate Brophy McGee, LD28

Vice Chairman: Jeff Weninger, LD17

Analyst: Paul Benny

Intern: Jon Rudolph

SB 1425

securities; salesmen; registration exemptions

SPONSOR: FARNSWORTH D, LD16

SENATE 2/11/2016 (28-0-2-0)

(NV: BEGAY,LESKO)

BFS 3/8 DP (8-0-0-0-0)

Committee on Children and Family Affairs

Chairman: John M. Allen, LD15

Vice Chairman: Kate Brophy McGee, LD28

Analyst: Ingrid Garvey

Intern: Alexandra Erickson

SB 1102

guardians; duties; access to ward

(CFA S/E: DCS; dependent children; foster homes)

SPONSOR: BARTO, LD15

SENATE 2/29/2016 (29-0-1-0)

(NV: PANCRAZI)

CFA 3/14 DPA/SE (9-0-0-0-0)

Committee on County and Municipal Affairs

Chairman: Doug Coleman, LD16

Vice Chairman: Tony Rivero, LD21

Analyst: Amanda Barnes

Intern: Caitlynn Kestler

SB 1263

county seal; use; violation

SPONSOR: MCGUIRE, LD8

SENATE 2/29/2016 (25-5-0-0)

(No: PIERCE,DIAL,LESKO,DRIGGS,DONAHUE)

CMA 3/14 DP (6-0-0-2-0)

(Abs: FANN,BOYER)

Committee on Commerce

Chairman: Warren H. Petersen, LD12

Vice Chairman: Jill Norgaard, LD18

Analyst: Diana Clay

Intern: Kris Beecher

[SB 1381](#) wine; direct shipment
SPONSOR: BARTO, LD15
SENATE 2/25/2016 (26-2-2-0)
(No: FARNSWORTH D,HOBBS; NV: PANCRAZI,BEGAY)
COM 3/9 DP (7-0-0-1-0)
(Abs: SHOPE)

Committee on Education

Chairman: Paul Boyer, LD20

Analyst: Aaron Wonders

Vice Chairman: Jay Lawrence, LD23

Intern: Ellen Hill

[SB 1208](#) teacher certification; reciprocity
SPONSOR: ALLEN S, LD6
SENATE 2/29/2016 (24-6-0-0)
(No: DALESSANDRO,CONTRERAS,HOBBS,MIRANDA,QUEZADA,MEZA)
ED 3/9 DP (5-0-1-1-0)
(Abs: OTONDO; Present: BOLDING)

[SB 1219](#) ~~technical correction; public roadways~~
(Now: extracurricular and athletic activities; accessories)
SPONSOR: BEGAY, LD7
SENATE 2/29/2016 (30-0-0-0)
ED 3/9 DPA (5-0-0-2-0)
(Abs: THORPE,OTONDO)

[SB 1249](#) common school districts; unification; budget
(ED S/E: budget; unification; school districts)
SPONSOR: SHOOTER, LD13
SENATE 2/25/2016 (27-1-2-0)
(No: BIGGS; NV: PANCRAZI,BEGAY)
ED 3/9 DPA/SE (6-0-0-1-0)
(Abs: OTONDO)

[SB 1280](#) empowerment scholarship accounts; eligibility; administration
SPONSOR: LESKO, LD21
SENATE 2/29/2016 (17-13-0-0)
(No: DALESSANDRO,CAJERO
BEDFORD,PANCRAZI,MCGUIRE,FARLEY,BRADLEY,CONTRERAS,HOBBS,MIRANDA,DRIGGS,QUEZADA,MEZA,SHERWOOD)
ED 3/9 DP (4-2-0-1-0)
(No: BOLDING,COLEMAN; Abs: OTONDO)

[SB 1376](#) school districts; consolidation; letter grades
SPONSOR: SMITH, LD11
SENATE 2/25/2016 (25-3-2-0)
(No: DALESSANDRO,QUEZADA,SHERWOOD; NV: PANCRAZI,BEGAY)
ED 3/9 DP (4-1-0-2-0)
(No: BOLDING; Abs: THORPE,OTONDO)

[SB 1430](#) schools; achievement profiles; improvement plans
SPONSOR: ALLEN S, LD6
SENATE 2/25/2016 (28-0-2-0)
(NV: PANCRAZI,BEGAY)
ED 3/9 DPA (6-0-0-1-0)
(Abs: OTONDO)

[SB 1451](#) office of Indian education; assistance

SPONSOR: BEGAY, LD7

SENATE 2/29/2016 (30-0-0-0)
ED 3/9 DP (5-0-0-2-0)
(Abs: THORPE,OTONDO)

Committee on Energy, Environment and Natural Resources

Chairman: Franklin M. Pratt, LD8

Vice Chairman: Russell "Rusty" Bowers, LD25

Analyst: Tom Savage

Intern: Shirley Springer

[SCM 1016](#) rulemaking; electric generating units; opposition

SPONSOR: GRIFFIN, LD14

SENATE 2/18/2016 (19-10-1-0)
(No: DALESSANDRO,CAJERO
BEDFORD,FARLEY,BRADLEY,CONTRERAS,HOBBS,MIRANDA,QUEZA
DA,MEZA,SHERWOOD; NV: MCGUIRE)
EENR 3/14 DP (6-3-0-0-0)
(No: CLARK,SALDATE,KOPEC)

Committee on Elections

Chairman: Michelle B. Ugenti-Rita, LD23

Vice Chairman: Javan D. "J.D." Mesnard, LD17

Analyst: Sharon Carpenter

Intern: Taylor McGrew

[SB 1351](#) schools; elections; ballot arguments; exclusion

SPONSOR: LESKO, LD21

SENATE 2/25/2016 (28-0-2-0)
(NV: PANCRAZI,BEGAY)
ELECT 3/14 DP (5-0-0-1-0)
(Abs: CARTER)

Committee on Government and Higher Education

Chairman: Bob Thorpe, LD6

Vice Chairman: J. Christopher Ackerley, LD2

Analyst: Sharon Carpenter

Intern: Taylor McGrew

[SB 1206](#) retirement plans; elected officials; opt-out

SPONSOR: WORSLEY, LD25

SENATE 2/25/2016 (28-0-2-0)
(NV: PANCRAZI,BEGAY)
GHE 3/10 DP (8-0-0-1-0)
(Abs: OLSON)

[SB 1220](#) ~~game and fish; technical correction~~

(Now: tribal college compact; renewal)

SPONSOR: BEGAY, LD7

SENATE 2/29/2016 (28-2-0-0)
(No: BIGGS,LESKO)
GHE 3/10 DPA (6-0-0-3-0)
(Abs: PETERSEN,OLSON,LARKIN)

[SB 1237](#) commission of Indian affairs; continuation

SPONSOR: BEGAY, LD7

SENATE 2/29/2016 (30-0-0-0)
GHE 3/10 DP (6-0-0-3-0)
(Abs: PETERSEN,OLSON,LARKIN)

[SB 1267](#) military service; postsecondary academic credit
 SPONSOR: SMITH, LD11
 SENATE 2/18/2016 (28-0-2-0)
 (NV: MCGUIRE,SHOOTER)
 GHE 3/10 DP (6-0-0-3-0)
 (Abs: PETERSEN,OLSON,LARKIN)

[SB 1282](#) public records; unduly burdensome requests
 SPONSOR: KAVANAGH, LD23
 SENATE 2/11/2016 (22-7-1-0)
 (No: SHOOTER,GRIFFIN,FARNSWORTH
 D,LESKO,BURGES,WORSLEY,DRIGGS; NV: BEGAY)
 GHE 3/10 DP (6-2-0-1-0)
 (No: PETERSEN,SALDATE; Abs: OLSON)

[SB 1322](#) community colleges; expenditure limitation
 SPONSOR: ALLEN S, LD6
 SENATE 2/15/2016 (25-3-2-0)
 (No: BIGGS,YARBROUGH,LESKO; NV: MCGUIRE,DIAL)
 GHE 3/3 DP (5-2-0-2-0)
 (No: PETERSEN,OLSON; Abs: TOWNSEND,LOVAS)

[SB 1367](#) Assyrian genocide; monument; procedures
 SPONSOR: BARTO, LD15
 SENATE 3/1/2016 (29-0-1-0)
 (NV: BURGES)
 GHE 3/10 DP (8-0-0-1-0)
 (Abs: OLSON)

[SB 1388](#) rulemaking exemption; one-year review
 SPONSOR: BURGES, LD22
 SENATE 2/25/2016 (27-1-2-0)
 (No: PIERCE,ALLEN S,BIGGS,GRIFFIN,FARNSWORTH
 D,YEE,LESKO,BURGES; NV: BEGAY)
 GHE 3/10 DP (8-0-0-1-0)
 (Abs: OLSON)

[SB 1421](#) boards; commissions; compensation; expenses
 SPONSOR: YEE, LD20
 SENATE 2/22/2016 (30-0-0-0)
 GHE 3/10 DP (6-0-0-3-0)
 (Abs: LOVAS,OLSON,LARKIN)

[SB 1422](#) board of technical registration; omnibus
 SPONSOR: YEE, LD20
 SENATE 2/22/2016 (30-0-0-0)
 GHE 3/10 DPA (6-1-0-2-0)
 (No: PETERSEN; Abs: OLSON,LARKIN)

[SB 1500](#) industrial commission of Arizona; omnibus
 SPONSOR: YEE, LD20
 SENATE 2/29/2016 (29-0-0-1)
 GHE 3/10 DP (7-0-0-2-0)
 (Abs: OLSON,LARKIN)

[SB 1504](#) drop box; private property; consent
 SPONSOR: KAVANAGH, LD23
 SENATE 2/25/2016 (28-0-2-0)
 (NV: PANCRAZI,BEGAY)
 GHE 3/10 DP (8-0-0-1-0)
 (Abs: OLSON)

Committee on Insurance**Chairman: Karen Fann, LD1****Analyst: Paul Benny****Vice Chairman: David Livingston, LD22****Intern: Jon Rudolph****SB 1494**

insurance; prohibited inducements; exceptions

SPONSOR: FARNSWORTH D, LD16

SENATE 2/18/2016 (29-0-1-0)

(NV: MCGUIRE)

INS 3/9 DPA (5-0-0-3-0)

(Abs: ROBSON,OTONDO,MCCUNE DAVIS)

Committee on Military Affairs and Public Safety**Chairman: Sonny Borrelli, LD5****Analyst: Rick Hazelton****Vice Chairman: Mark Finchem, LD11****Intern: Thomas Lane****SB 1132**

executive clemency board; salary; duties

SPONSOR: KAVANAGH, LD23

SENATE 2/24/2016 (21-8-1-0)

(No: ALLEN, BURGESS, FARNSWORTH, GRIFFIN, LESKO,
PIERCE, YEE, BIGGS. NV: BEGAY)

MAPS 3/10 DP (6-0-0-2-0)

(Abs: FARNSWORTH E,FINCHEM)

SB 1439

prisoners; mental health; transition program

SPONSOR: BARTO, LD15

SENATE 2/25/2016 (28-0-2-0)

(NV: PANCRAZI,BEGAY)

MAPS 3/10 DP (6-1-0-1-0)

(No: KERN; Abs: FARNSWORTH E)

SB 1513

submarine memorial; delayed repeal

SPONSOR: DRIGGS, LD28

SENATE 2/25/2016 (28-0-2-0)

(NV: PANCRAZI,BEGAY)

MAPS 3/10 DP (6-0-0-2-0)

(Abs: FARNSWORTH E,KERN)

SB 1521~~technical correction; traffic violations~~

(Now: authorized payroll deductions; associations)

SPONSOR: SMITH, LD11

SENATE 2/29/2016 (30-0-0-0)

MAPS 3/10 DP (6-0-0-2-0)

(Abs: FARNSWORTH E,KERN)

SCR 1013

coast guard auxiliary; recognition

SPONSOR: SMITH, LD11

SENATE 2/25/2016 (28-0-2-0)

(NV: PANCRAZI,BEGAY)

MAPS 3/10 DP (7-0-0-1-0)

(Abs: FARNSWORTH E)

Committee on Transportation and Infrastructure**Chairman: Rick Gray, LD21****Analyst: Amanda Barnes****Vice Chairman: David W. Stevens, LD14****Intern: Caitlynn Kestler**

[SB 1490](#) transportation funding; task force
SPONSOR: WORSLEY, LD25
SENATE 2/18/2016 (29-0-1-0)
(NV: MCGUIRE)
TI 3/8 DPA (8-1-0-0-0)
(No: FERNANDEZ)

Committee on Ways and Means
Chairman: Darin Mitchell, LD13
Analyst: Michael Madden

Vice Chairman: Anthony Kern, LD20
Intern: Kaitlyn Yanes

[SB 1157](#) small property tax balance delinquency
SPONSOR: BURGESS, LD22
SENATE 2/8/2016 (30-0-0-0)
WM 3/14 DP (8-0-0-1-0)
(Abs: WHEELER)

[SB 1523](#) truth in taxation; levy increases
SPONSOR: SMITH, LD11
SENATE 2/25/2016 (17-11-2-0)
(No: DALESSANDRO,CAJERO
BEDFORD,MCGUIRE,FARLEY,BRADLEY,CONTRERAS,HOBBS,MIRAN
DA,QUEZADA,MEZA,SHERWOOD; NV: PANCRAZI,BEGAY)
WM 3/14 DP (6-3-0-0-0)
(No: BOLDING,CARDENAS,WHEELER)



HOUSE OF REPRESENTATIVES

SB 1425

securities; salesmen; registration exemptions

Prime Sponsor: Senator Farnsworth D, LD 16

DP Committee on Banking and Financial Services

X Caucus and COW

House Engrossed

OVERVIEW

SB 1425 exempts offerings of securities of less than \$1 million or the limit established under federal regulations from statutory registration requirements provided certain criteria are met.

PROVISIONS

1. Exempts from statutory registration requirements securities transactions involving offerings of securities of not more than \$1 million or the established limit under federal regulations provided the following:
 - a. An unlimited number of sophisticated purchasers may be involved.
 - b. Written offering documents are provided to each purchaser which state full and adequate disclosure of material facts.
 - c. Advertising is not allowed without a waiver from the director (Director) of the Securities Division of the Arizona Corporation Commission (Commission).
 - d. The sum of the following amount cannot exceed \$1 million or the limited established under federal regulations, which is greater:
 - i. The dollar value for the amount of securities being offered.
 - ii. The aggregate offering price of all securities of the issuer sold within the 12 months before the date of the offering.
 - iii. The aggregate offering price of all securities of the issuer sold during the course of the offering if the securities were sold in reliance on or in violation of certain federal laws.
 - e. The following criteria are met regarding offerings to sophisticated purchasers:
 - i. Allows sales to either an accredited investor or a person, acting alone or with a purchaser representative, who the dealer reasonably believes has the knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the proposed investment.
 - ii. The issuer must display a specified notice on the cover page of the disclosure document.
 - f. A copy of a the notice that is filed with the SEC must be filed with the Commission within 15 days after the first sale of securities in or from this state
 - g. Offerings to purchasers must allow all of the following:
 - i. Sales must only be made by a dealer who is not the issuer and who is registered in this state.
 - ii. The dealer conducting the sales if the dealer reasonably believes that adequate diligence and review has been applied.
 - iii. Sales if the dealer reasonably believes that the security is suitable for the purchaser.
 - h. The exemption may not be utilized if the issuer or the offering is subject to specified disqualifications.
 - i. Allows the Commission to set aside the disqualification under certain conditions.
2. Permits the Director to adopt and revise rules to maintain conformity with federal law regarding exemption for limited offerings and sales of securities.

ADDITIONAL INFORMATION

Federal [law](#) allows an exemption from SEC registration for offers and sales of securities that satisfies certain conditions which include the following:

- a. The issuer of the securities is not: 1) subject to SEC reporting requirements, 2) an investment company, or 3) a developing company that does not have a business plan, purpose, or is engaging in a merger or acquisition with an unidentified company.
- b. The aggregate offering price does not exceed \$1 million for all securities sold within 12 months before the start of another transaction.



HOUSE OF REPRESENTATIVES

SB 1102

guardians; duties; access to ward

Prime Sponsor: Senator Barto, LD 15

DPA S/E Committee on Children and Family Affairs

X Caucus and COW

House Engrossed

STRIKE-EVERYTHING SUMMARY

The strike-everything amendment to SB 1102 permits an entity contracted by the Department of Child Safety (DCS) to perform a preadoption certification investigation and home study of a prospective adoptive parent and permits a licensed foster parent to complete 12 hours of required training over a two-year period, rather than six hours of training in a one year period. Prohibits a child from being committed to the Department of Juvenile Corrections if they are only adjudicated dependent or incorrigible.

PROVISIONS

1. Allows an entity contracted by DCS to conduct an investigation and home study for foster home licensing or preadoption certification of any prospective adoptive parent before that parent can become certified to adopt a child.
2. Permits a written application for adoption certification to be sent to an entity contracted by DCS in the form and content required by that entity.
3. Requires an entity contracted by DCS, upon receiving and accepting a written application of the prospective adoptive parent or parents, to conduct or cause to be conducted an investigation of the prospective parent
4. Requires an entity contracted by DCS to submit a report to the juvenile court within 90 days of the original application, containing all relevant and material facts of the prospective parent's fitness to adopt children, including statutorily required information, and a definite recommendation for certifying the applicant.
5. Prohibits an applicant deemed nonacceptable to reapply for certification to an entity contracted by DCS for one year.
6. Stipulates that an entity contracted by DCS must only submit an updated report if an applicant has adopted a child within the preceding three years before the current application, and may only submit an updated report if the applicant has adopted another child more than three years before the current application.
7. Exempts the spouse of the child's deceased great-uncle or great-aunt from statutory requirements relating to preadoption certification investigations and home studies if the great-uncle or great-aunt had legal and physical custody of the child and the child resided primarily with the spouse of that great-uncle or great-aunt in the 24 months leading up to their death.
8. Exempts an applicant from statutory preadoption certification requirements if the applicant is a licensed foster parent who:
 - a. Is petitioning to adopt a child currently placed by DCS in the foster parent's home; and
 - b. DCS recommends adopt the child.
9. Prohibits a child from being committed to the Department of Juvenile Corrections if they are only adjudicated dependent or incorrigible.
10. Modifies the foster parent training requirements for a license renewal from six hours per year to 12 hours over the two year period of licensure.
11. Makes technical changes.

AMENDMENT OF THE CHILDREN AND FAMILY AFFAIRS COMMITTEE

The strike-everything amendment was adopted.

CURRENT LAW

[A.R.S. § 8-105](#) requires that any prospective adoptive parent be investigated by an officer of the court, an agency or DCS before they can become certified as acceptable to adopt children. Written applications for certification are required to be sent to the court, an agency, or DCS.

[A.R.S. § 8-509](#) requires a foster home licensee to provide proof of completion of six hours of foster parent training per year and each foster parent and adult member of the house to have a valid fingerprint clearance card. DCS is prohibited from renewing a license without satisfactory proof that the foster parent or parents have completed six actual hours of approved ongoing foster training per year.

[A.R.S. § 8-341](#) permits the court to an incorrigible child to: the care of the child's parents, the protective supervision of a probation department, a reputable citizen of good moral character, a public or private agency or maternal or paternal relatives.



HOUSE OF REPRESENTATIVES

SB 1263

county seal; use; violation

Prime Sponsor: Senator McGuire, LD 8

DP Committee on County and Municipal Affairs

X Caucus and COW

House Engrossed

OVERVIEW

SB 1263 removes the requirement for a county board of supervisors (BOS) to issue a cease and desist order to a person who violates the restricted uses of a county seal.

PROVISIONS

1. Eliminates the requirement for a county BOS to issue a cease and desist order to a person who violates the restricted uses of a county seal.
2. Makes a conforming change.

CURRENT LAW

[A.R.S. § 11-251.17:](#)

Currently in subsection A, a person may use, display or otherwise employ any facsimile, copy, likeness, imitation or other resemblance of the county seal only after obtaining the approval of the BOS of that county. The BOS may grant a certificate of approval on application by any person showing good cause for the use of the county seal for a proper purpose. No person other than a county department may use the county seal for advertising or promoting the sale of article merchandise in the state or for promoting other commercial purpose. The BOS can adopt rules for the use of the county seal including for official county business.

Subsection B requires a county to display the adopted seal and text on the county's website.

Finally, subsection C states a county BOS is required to issue a cease and desist order to any person that is in violation. If a person fails to comply with the order they are guilty of a class 3 misdemeanor.



HOUSE OF REPRESENTATIVES

SB 1381

wine; direct shipment

Prime Sponsor: Senator Barto, LD 15

DP Committee on Commerce

X Caucus and COW

House Engrossed

OVERVIEW

SB 1381 modifies the statute that permits direct-to-consumer shipments of wine.

PROVISIONS

1. Repeals the present Arizona Department of Liquor Licenses and Control (DLLC) laws relating to direct shipment of liquor to consumers and replaces them with limited annual sales of wine shipped directly to the consumer.
2. Permits the Director of DLLC (Director) to issue a Direct Shipment License (DSL) to:
 - a. Any state-licensed winery that also holds a federal basic permit issued by the U.S. Alcohol and Tobacco Tax and Trade Bureau.
 - b. A Farm Winery.
 - c. A winery with a Producer's License or Limited Producer's License.
3. Maintains the current law with regard to a Farm Winery licensee.
4. Details the content of the DSL application and renewal license and authorizes a fee to cover administrative, auditing and enforcement costs.
5. Gives the Director discretionary power to refuse issuance of a DSL for *good cause*.
6. Prohibits the Director from issuing a license to any applicant who:
 - a. Has any liquor license revocations the year before the application.
 - b. Has any felony convictions within five years prior to application.
7. Enables the Director to suspend, revoke or refuse to renew a DSL for *good cause* or because of a violation of the liquor laws. This action will happen after a licensee receives proper notice and a hearing before the Office of Administrative Hearings (OAH). Establishes acts or omissions of a person acting on behalf of the licensee as those of the licensee.
8. Permits the Director to impose a civil penalty rather than suspend, revoke or not renew the DSL. Allows the licensee to appeal the penalty and violation to the Liquor Board, whose members may affirm, modify or reverse the Director's decision.
9. Enables a licensed wine producer to sell and ship its own wine directly to the consumer, but limits annual sales to 12, nine-liter cases of wine as follows:
 - a. The orders are made by any means, including telephone, mail, fax or through the Internet and payment is collected by the licensee no later than the time of delivery.
 - b. The wine is for personal use, not for resale and ships to a private residence or business, but not a licensed liquor establishment.
 - c. The licensee verifies the customer's age by obtaining proper identification and ensures the wine contains a proper label.
 - d. The customer is eligible to otherwise purchase or receive the wine.
 - e. The delivery is made by someone at least 21 years old during regular business hours and the delivery person obtains the signature/photo ID of the customer to ensure the person is at least 21 years old.
10. Requires the licensee to pay all taxes and annually file a report with pertinent information regarding direct shipped wine and upon request, allow the DLLC Director or the Department of Revenue to audit the records. Dictates a two year requirement to maintain records.

11. Stipulates the consent of the licensee to DLLC jurisdiction, other state agencies, the courts and all related laws, rules and regulations of Arizona.
12. Assesses a Class 2 misdemeanor for shipping without a DSL or not having a current Farm Winery License for a winery producing less than 20,000 gallons of wine the prior year.
13. Maintains current law with regard to record-keeping requirements for common carriers that transport wine (except for railroads) including to remit the records to DLLC upon request.
14. Requires the common carriers, other than railroads, that transport wine into and within Arizona to verify the recipient's age in addition to the present record requirements.
15. Instructs the Director to begin issuing DSLs on January 1, 2017.
16. Grandfathers existing DSLs and other licensees and directs them to continue operating under the regulations in place the day before the effective date of this legislation.
17. Reiterates the Legislature's concern and commitment to prevent the sale and delivery of alcohol to minors and it maintains the applicability of rules and regulations to ensure the record-keeping and lawful delivery of spirituous liquor.

CURRENT LAW

[A.R.S. § 4-203.04](#) permits an Arizona resident who is at least 21 years old to order spirituous liquor for personal use through a [Direct Shipment Licensee \(Series 17\)](#) placed either in-person, by telephone, mail, catalog or Internet if the shipment is made to an in-state wholesaler and then to a licensed retailer (*off-sale for carry out*). An out-of-state distiller, vintner, brewer or other type of producer of spirituous liquor may ship to a licensed wholesaler in Arizona and then to a licensed retailer.

A consumer may order a maximum of 2-cases of wine (*not beer or distilled spirits*) when physically present at a winery (*in-state or out-of-state*), per calendar year for shipment [directly to a private residence](#) or business in Arizona. The product cannot be for resale, and the consumer must be at least 21 years old.

ADDITIONAL INFORMATION

There are currently 43 states that allow direct-to-consumer wine shipments.



HOUSE OF REPRESENTATIVES

SB 1208

teacher certification; reciprocity
Prime Sponsor: Senator Allen S, LD 6

DP Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1208 modifies the requirements for the renewal and reciprocity of teacher certifications.

PROVISIONS

1. Requires the Arizona State Board of Education's (SBE) rules for teacher certification to allow for the renewal of a certificate for at least 10 years and prohibit more than 15 hours of annual continuing education credits from being required for renewal.
2. Requires an applicant for certification reciprocity to be in good standing with their state.
3. Requires an applicant from another state who possesses a valid certification and a Fingerprint Clearance Card and is in good standing to be issued a standard teaching certificate without any other requirement.
 - a. Exempts persons with a reciprocal teaching certificate from the teacher proficiency examination, Structured English Immersion (SEI) endorsement requirements and the United States and Arizona Constitution examination.
4. Requires teaching intern certificates to be granted to persons entering the practicum portion of an approved teacher preparation program.
5. Directs placement decisions to be based on agreements between the teacher preparation provider, the provider's partner organizations and the Local Education Agency (LEA).
6. Prohibits the Arizona Department of Education (ADE) and SBE from restricting the placement of teaching intern certification holders based on LEA instructional models and only permits the consideration of the academic quality of the school, the effectiveness of the certificate holder's on-site mentor and the opportunity for a wide variety of schools and school models to access certificate holders.
7. Modifies the requirement to complete classes or pass an examination on the United States and Arizona Constitutions to only apply to teachers who teach academic courses that focus primarily on history, government, social studies, citizenship, law or civics.
8. Removes the requirement for a person who has not taught for 10 years to repass the proficiency examination.
9. Exempts persons who are not being certificated to teach students in a sheltered or structured English immersion model from being required to obtain a provisional or full SEI endorsement.
 - a. Specifies that school districts and charter schools are not prohibited from requiring an SEI endorsement as a condition of employment.
10. Makes technical and conforming changes.

CURRENT LAW

SBE is charged with the supervision and control of the certification of teachers and administrators ([A.R.S. § 15-203](#)). Included in the charge to SBE is a requirement to adopt rules to provide educator certification reciprocity to applicants who possess a comparable valid certification from another state. To qualify for a basic or standard teaching certificate, an applicant must pass each component of the proficiency examination developed by SBE. If the person has passed a proficiency examination in another state they are not required to take SBE's examination and if the person has been a full-time teacher for at least three years they are exempted from taking the professional knowledge portion of the examination. SBE is authorized to grant a basic or standard teaching certificate for up to three years to an applicant for reciprocity that has not met the examination requirements ([A.R.S. § 15-533](#)).

Any person applying for an administrator or teacher certificate is required to complete classes or pass a satisfactory examination on the provisions and principles of the United States and Arizona Constitutions. Applicants who have met all other requirements for

certification except the examination may only be granted a certificate for up to three years and no additional certificate may be granted until the requirements are met ([A.R.S. § 15-532](#)).



HOUSE OF REPRESENTATIVES

SB 1219

~~technical correction, public roadways~~

NOW: extracurricular and athletic activities; accessories

Prime Sponsor: Senator Begay, LD 7

DPA Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1219 restricts school district governing boards, charter schools or interscholastic athletic associations from prohibiting a student from wearing religious or cultural accessories during extracurricular or athletic activities.

PROVISIONS

1. Restricts school district governing boards, charter schools or interscholastic athletic associations from prohibiting a student from wearing religious or cultural accessories or hair pieces while participating in extracurricular or athletic activities if the accessories do not jeopardize the health or safety of the student or others, as determined by a supervisor or officiant.
2. Makes a conforming change.

AMENDMENTS IN EDUCATION COMMITTEE

1. Makes technical changes.

CURRENT LAW

Governing boards are required to consider the cultural traditions of students when creating and enforcing rules for participation in extracurricular activities ([A.R.S. § 15-347](#)). If the rules prohibit a student from participating because of cultural traditions, governing boards may adopt alternative rules to allow the student to participate, while also taking into account the health and safety of the student and others participating in the activity.



HOUSE OF REPRESENTATIVES

SB 1249

common school districts; unification; budget
Prime Sponsor: Senator Shooter, LD 13

DPA Committee on Education

X Caucus and COW

House Engrossed

STRIKE-EVERYTHING OVERVIEW

The proposed strike-everything amendment to SB 1249 extends session law allowing specified school districts to continue calculating a budget in the same manner until a high school is constructed.

PROVISIONS

1. Extends, until June 30, 2020, the authority for a common school district outside of a high school district that was authorized to establish a unified district to continue calculating the budget as a common school district outside of a high school until a high school is constructed.
2. Contains a retroactive effective date of June 29, 2016.
3. Makes a technical change.

AMENDMENTS IN EDUCATION COMMITTEE

Adopted the strike-everything amendment.

CURRENT LAW

[Laws 2007, Chapter 283](#) permits a common school district not within the boundaries of a high school district that was authorized by the voters to establish a unified school district to continue calculating its budget and equalization assistance as a common school district not within a high school district until July 30, 2011, or a new high school is constructed. If the newly formed unified district phases in instruction for students in grades 9-12, it may continue to calculate its budget in the same manner for up to three years after the first year of operation of the new school. [Laws 2010, Chapter 332](#) extended the session law from July 30, 2011 to July 30, 2016.



HOUSE OF REPRESENTATIVES

SB 1280

empowerment scholarship accounts; eligibility; administration

Prime Sponsor: Senator Lesko, LD 21

DP Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1280 modifies the Empowerment Scholarship Account (ESA) program's eligibility criteria and administration.

PROVISIONS

1. Prohibits a previous recipient of an Arizona Scholarship for Pupils with Disabilities or an ESA from being ESA eligible if the recipient's parent has been removed from eligibility in the program for failure to comply with the terms of the contract or applicable laws.
2. Expands the eligibility for the ESA program to include:
 - a. Siblings of an eligible qualified student who accepts the terms of and enrolls in the program.
 - b. Students who attended a preschool for children with disabilities.
 - c. A child of a parent who is legally blind, deaf or hard of hearing.
 - d. A child with an Individualized Education Program or a Section 504 plan that requires the use of instructional materials in a specialized format.
3. Outlines ESA eligibility requirements for students enrolled in Arizona Online Instruction as follows:
 - a. For grades 1-3, 400 hours of logged instruction.
 - b. For grades 4-6 and high school, 500 hours of logged instruction.
 - c. For grades 7-8, 550 hours of logged instruction.
4. Requires the Arizona Department of Education (ADE) or a tribal government to determine residency for a student within the boundaries of an Indian reservation.
5. Requires an ESA parent to use a portion of the ESA monies annually to provide education for the qualified student rather than quarterly.
6. Allows ESA monies to be spent on uniforms purchased from or through a qualified school.
7. Permits qualified students who meet specified criteria to use the following services:
 - a. A licensed or accredited paraprofessional or educational aide;
 - b. Tuition for vocational and life skills education approved by ADE; and
 - c. Associated services that include educational and psychological evaluations, assistive technology rentals and braille translation services.
8. Removes the requirement that the State Treasurer select and supervise financial firms for the management of ESA.
9. Removes the authority for ADE to require insurance or surety bond payments related to ESA.
10. Allows ADE to refer cases of misuse of monies to the Attorney General for collection or criminal investigation.
11. Requires ADE to accept applications for the ESA program year-round.
12. Requires ADE to enroll and issue an award letter to eligible ESA applicants within 45 days after receipt of a completed application and all required documentation.
13. Modifies the definition of *curriculum* to require ADE to approve complete course of study.
14. Makes technical and conforming changes.

CURRENT LAW

Laws 2011, Chapter 75, established the ESA program. [A.R.S. § 15-2401](#) defines an ESA qualified student as an Arizona resident who is any of the following:

- Identified as having a disability,
- Attends or is eligible to attend kindergarten at a D or F school or school district,
- A previous scholarship recipient of the ESA program or the Arizona Scholarships for Pupils with Disabilities Program,
- A child whose parent or guardian is a member of the armed forces and on active duty or was killed in the line of duty (these students are exempt from any further requirements for qualification),
- A child who is a ward of the juvenile court, or
- A child who is a sibling of a current or previous ESA recipient.

The qualifying student must also meet at least one of the following requirements:

- Attended a governmental primary or secondary school as a full-time student for at least 100 days of the prior fiscal year and who transferred under a contract to participate in an ESA,
- Previously participated in the ESA program,
- Received a scholarship from a School Tuition Organization and continues to attend a qualified school,
- Was eligible for an Arizona Scholarship for Pupils with Disabilities, or
- Has not previously attended a governmental primary or secondary school but is currently eligible to enroll in a kindergarten or preschool children with disabilities program ([A.R.S. § 15-2401](#)).

ADE is required to determine a period that is between July 1 and May 1 of each year during which it will accept ESA applications for the following Fiscal Year. The State Treasurer may contract with private financial management firms to manage ESA and maintain supervision over the selected firms ([A.R.S. § 15-2403](#)).



HOUSE OF REPRESENTATIVES

SB 1376

school districts; consolidation; letter grades
Prime Sponsor: Senator Smith, LD 11

DP Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1376 permits *A* and *B* school districts to consolidate to include a nearby school district.

PROVISIONS

1. Permits school district consolidations to include changes to the boundaries of an *A* or *B* school district to include another school district within 20 miles.
2. Makes technical and conforming changes.

CURRENT LAW

School districts are permitted to consolidate through an election in each school district ([A.R.S. § 15-459](#)). The request to consolidate may be made by two or more governing boards or through a petition by qualified electors. Allowed consolidations include:

- Changing the boundaries of a school district to include any part of an adjacent district.
- Consolidating all common school districts within an existing union high school district.
- Consolidating adjacent school districts of similar types.
- Consolidating a common school district into an adjacent unified district.
- Unifying multiple districts into a unified district.



HOUSE OF REPRESENTATIVES

SB 1430

schools; achievement profiles; improvement plans
Prime Sponsor: Senator Allen S, LD 6

DPA Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1430 revises the annual achievement profile methodology and replaces the *A-F* letter grades.

PROVISIONS

1. Removes the academic performance indicators for the achievement profiles.
2. Requires annual achievement profiles for schools, charter holders and school districts to include, at a minimum, the following academic performance indicators.
 - a. Multiple measures of academic performance or other academically relevant indicators of school quality appropriate to assess the impact of a school during the year, as determined by the Arizona State Board of Education (SBE).
 - b. Academic progress on statewide assessments in English Language Arts and Math.
 - c. Academic progress on English Language Learner assessments.
 - d. Progress towards college and career readiness for charter holders, schools and school districts that instruct in grades 9-12.
3. Specifies that charter holders are included in annual achievement profiles.
4. Directs the standard measurement of academic progress to be the annual achievement profile compiled by the Arizona Department of Education (ADE) rather than a baseline achievement profile.
5. Requires the methodology used for determining classification labels to be developed in collaboration with a coalition of qualified technical and policy stakeholders.
6. Removes the ability for the methodology to include a measure of the perception of education quality and the academic performance measurement requirements for classifications.
7. Removes the definitions for each classification.
8. Requires an *A* grade to reflect an excellent level of performance and an *F* letter grade to reflect a failing level of performance.
 - a. Directs the letter grade system to indicate expected standards of performance for all schools and the manner in which schools may rise above or fall below the standards.
9. Permits SBE to develop profiles for schools that participate in SBE's examination system and Arizona Online Instruction schools and develop other exceptions.
 - a. Directs achievement profiles for the previous schools and accommodation schools, alternative schools, extremely small schools to be used appropriately to assess educational impact.
10. Requires ADE to establish a process for a school to correct student data used to determine the annual achievement profile.
11. Directs SBE to establish an appeals process for letter grades that are based on mitigating factors.
12. Permits SBE to delegate the administration of the appeals process to ADE.
13. Transfers statutes relating to improvement plans.
14. Permits, as session law, ADE to release data for school districts, schools and charter schools for School Year (SY) 2017 based on assessments conducted during SY 2016 and allows school districts, schools and charter schools to publish letter grades.
15. Requires, as session law, ADE to publish letter grades in SY 2018 based on data collected during SY 2017.
16. Defines *academic progress*.

17. Modifies the definition of *research-based methodology*.

18. Makes technical and conforming changes.

AMENDMENTS IN EDUCATION COMMITTEE

Applies provisions of the accountability system to Local Education Agencies.

CURRENT LAW

ADE is annually required to compile an achievement profile for each public school and school district ([A.R.S. § 15-241](#)). A baseline profile is established and used to determine a standard measure of acceptable academic progress for each school and school district. The achievement profiles include the following academic performance indicators:

- The Arizona Measure of Academic Progress.
- The Arizona Instrument to Measure Standards test.
- Academic performance and gain on the science portion of the test.
- The results of English Language Learner tests.
- For high schools, annual dropout and graduation rates.

Criteria for classifications are determined by ADE using a research-based methodology that include the performance of students at all achievement levels, student mobility, the distribution of student achievement and longitudinal indicators of academic performance. The methodology is also permitted to include a measure of the perception of educational quality by parents, students, staff and community stakeholders. Half of the classification is required to consist of academic performance measurements and the other half is required to consist of a measurement of academic gain. An annual achievement profile is determined and reported as an *A-F* letter grade of which:

- *A* demonstrates an excellent level of performance.
- *B* demonstrates an above average level of performance
- *C* demonstrates an average level of performance
- *D* demonstrates a below average level of performance
- *F* demonstrates a failing level of performance

[Laws 2015, Chapter 76](#) established a two-year transition period for a revised accountability system to be developed and implemented. During the transition period data was collected and published, but no letter grades classifications were assigned.



HOUSE OF REPRESENTATIVES

SB 1451

office of Indian education; assistance
Prime Sponsor: Senator Begay, LD 7

DP Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1451 specifies the technical assistance that is required by the Office of Indian Education (Office), if sufficient resources and monies are available.

PROVISIONS

1. Requires technical assistance provided by the Office to include the following, if sufficient resources and monies are available:
 - a. Professional development.
 - b. Data literacy.
 - c. Teacher recruitment and retention.
 - d. Native language development.
 - e. Fiscal management.
 - f. Family engagement.
 - g. Incorporation of Native American culture into the curricula.
2. Removes the requirement that the director of the Arizona State Library, Archives and Public Records (ASLAPR) receive a copy of the annual statewide Native American Education Status report.
3. Makes technical changes.

CURRENT LAW

Established in [A.R.S. § 15-244](#), the Office is located within the Arizona Department of Education (ADE) and administers federal grants while collaborating with Indian nations to provide technical assistance in order to meet educational needs of Native American students ([Office of Indian Education](#)). The Office assists in the planning, development, implementation and evaluation of curricula that are culturally relevant and in accordance with Arizona standards. To assist in evaluating, consolidating and coordination of all activities related to the education of Native American students, representatives from all Indian nations, members of the Arizona State Board of Education, the Governor's office, the Arizona Commission of Indian Affairs, the Intertribal Council of Arizona, the Legislature, the Superintendent of Public Instruction and the Indian Education Advisory Council are required to meet at least once a year.

School districts located on tribal lands are required to provide an annual district-wide Native American Education Status report to ADE and the Indian nations. The Office is required to compile the data and create an annual statewide Native American Education Status report and submit the report to the Indian nations, along with a copy to the Secretary of State and the director of ASLAPR.



HOUSE OF REPRESENTATIVES

SCM1016

rulemaking; electric generating units; opposition
Prime Sponsor: Senator Griffin, LD 14

DP Committee on Energy, Environment and Natural Resources

X Caucus and COW

House Engrossed

OVERVIEW

SCM 1016 urges Congress to oppose the Environmental Protection Agency's (EPA) implementation of rules on greenhouse gas emissions for existing power plants and to exercise oversight over the EPA.

PROVISIONS

1. Urges Congress to oppose the implementation of rules on greenhouse gas emissions for existing power plants that exceed the EPA's legal authority and exercise oversight over the EPA.
2. Requests the Governor and Attorney General take appropriate actions to uphold the state's responsibility with respect to the Clean Air Act and defend against overreaching regulations.
3. Requests that the Secretary of State transmit copies of the memorial to the President of the United States, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, each Member of Congress from the state of Arizona, the Administrator of the EPA, the Governor and the Attorney General of Arizona.

ADDITIONAL INFORMATION

The [Clean Power Plan \(CPP\)](#), according to the EPA, will reduce carbon pollution from fossil fueled powered plants by 2030. Under the CPP, states must develop and implement plans that will reduce greenhouse gas emissions from power plants and submit the final plans by September 6, 2018. States must achieve interim emissions performance rates over the period of 2022 to 2029 and final emissions performance rates by 2030.

The CPP will require [Arizona](#) to reduce carbon dioxide emissions from existing fossil fuel fired power plants by 34%.

The [U.S. Supreme Court](#) issued a stay on the implementation of the EPA's CPP on February 9, 2016.



HOUSE OF REPRESENTATIVES

SB 1351

schools; elections; ballot arguments; exclusion
Prime Sponsor: Senator Lesko, LD 21

DP Committee on Elections

X Caucus and COW

House Engrossed

OVERVIEW

SB 1351 requires a ballot argument for a proposed change be signed as the governing board of the school district (board) without listing any member's name.

PROVISIONS

1. Specifies that a ballot argument for a proposed change must be signed as the board without listing any member's name.
2. Makes technical and conforming changes.

CURRENT LAW

A county school superintendent is required to prepare an informational report (report) on the proposed increase in the budget and a sample ballot and, at least 40 days prior to the election, must transmit the report and the sample ballot to the board. The board, upon receipt of the report and the ballot, must mail or distribute the report and the ballot to the households in which qualified electors reside within the school district at least 35 days prior to the election ([A.R.S. § 15-481](#)).

The report must contain at least 2 arguments, but no more than 10 arguments, for or against the proposed increase in the budget. The arguments must be in a form prescribed by the county school superintendent and may not exceed 200 words. Arguments for the proposed increase in the budget must be provided in writing and signed by the board. The names of persons and entities submitting written arguments must be included in the report.

A school district is required to mail a publicity pamphlet to each household in the school district that contains a qualified elector at least 35 days before the election. The publicity pamphlet must contain a complete list of each capital improvement when bonds were initially approved and that are proposed to be eliminated, or to have its cost reduced and the proposed cost of each improvement including a separate aggregation of capital improvements for administrative purposes. Arguments for and against the proposed change must also be included in the publicity pamphlet ([A.R.S. § 15-491](#)).



HOUSE OF REPRESENTATIVES

SB 1206

retirement plans; elected officials; opt-out
Prime Sponsor: Senator Worsley, LD 25

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1206 allows certain state elected officials to opt-out of the Elected Official's Defined Contribution System (EODC).

PROVISIONS

EODC

1. Narrows the definition of *elected official* for the purpose of EODC to exclude a state elected official:
 - a. who is subject to term limits;
 - b. who is not an active, inactive, retired or disabled member due to continuously electing not to participate in the Elected Official's Retirement Plan (EORP) and the Arizona State Retirement System (ASRS) since initially being elected before January 1, 2014; and
 - c. who is subsequently elected or appointed after January 1, 2014, and subject to term limits.
 - i. applies retroactively to September 12, 2013.
2. Permits a member who is a state elected official subject to term limits to elect not to accept an employer's contribution to their annuity account and stipulates the election:
 - a. must be made in writing and filed with the Public Safety Personnel Retirement System (PSPRS) Board within 30 days of assuming office;
 - b. is effective on the first day of eligibility for that term of office;
 - c. is specific for that term of office; and
 - d. is irrevocable and constitutes a waiver for their entire term.
3. Stipulates an employer is not required to contribute the percent of compensation to the EODC for a member who has elected not to accept the employer's contribution.
4. States the failure to make an election not to accept an employer's contribution is deemed as acceptance of the employer's contribution to the state elected official's annuity account.
5. Requires the PSPRS Board to distribute the balance of the state elected official's annuity account to the state elected official or the beneficiary at the election of a state *elected official* who has attained the age of 62.
6. Allows a state elected official enrolled in EODC to elect to return the employer's contributions and earnings deposited in their annuity account if the election is made within 180 days after the effective date or, if not, the employer's contributions and earnings will remain in the annuity account until distribution.

ASRS

7. Specifies that membership in ASRS is not mandatory for a state elected official who is:
 - a. subject to term limits;
 - b. *initially* elected or appointed before January 1, 2014; and
 - c. eligible for ASRS participation due to continuously electing not to participated in EORP and ASRS.
 - i. applies retroactively to September 12, 2013.

EORP

8. Adds that *elected official* means a state elected official:

- a. who is subject to term limits;
 - b. who is initially elected or appointed before January 1, 2014;
 - c. who has elected not to participate in EORP and ASRS since initially being elected; and
 - d. who is subsequently elected or appointed after January 1, 2014, and subject to term limits.
 - i. applies retroactively to September 12, 2013.
9. Provides that an *elected official* is eligible to become a member of EORP if subsequently elected or appointed and stipulates credited services accrues only from the date of the member's most recent eligibility.

Miscellaneous

10. Makes technical and conforming changes.

CURRENT LAW

[Laws 2013, Chapter 217](#) established the EODC beginning January 1, 2014, for elected officials unless specifically [excluded](#). Each elected official who is a member of the EODC is required to contribute 8% of the member's gross compensation by salary reduction and each employer is required to annually make a contribution equal to 6% of each member's gross compensation. Member and employer contributions and earnings are immediately vested ([A.R.S. 38-833](#)).



HOUSE OF REPRESENTATIVES

SB 1220

~~game and fish; technical correction~~
NOW: tribal college compact; renewal
Prime Sponsor: Senator Begay, LD 7

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1220 increases the initial and renewal terms for Indian tribe compacts to receive Transaction Privilege Tax (TPT) revenues for community colleges from 10 to 20 years.

PROVISIONS

1. Increases the minimum initial term and renewal term compact between the state and Indian tribes to receive TPT revenues for community colleges from 10 to 20 years.
2. Permits compacts to be amended.
3. Requires consent from the state and the qualifying Indian tribe to amend or renew a compact.
4. Requires the compact renewal review by the Joint Legislative Budget Committee (JLBC) to be four years prior to expiration rather than one year.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION

Specifies that compact renewals or amendments are required to be signed by the Governor and the chairman, president or governor of the Indian tribe.

CURRENT LAW

The Arizona State Treasurer is required to transmit a portion of TPT revenues each month to qualifying Indian tribes from all sources located on the reservation ([A.R.S. § 42-5031.01](#)). The distributed monies are for the exclusive purpose of supporting the maintenance, renewal and capital expenses of community college campuses owned or chartered by Indian tribes and located on the reservation. The amount transmitted for a single community college is annually capped at the lesser of \$1.75 million or 10% of TPT revenues received from all sources located on the reservation and for an additional technical college the lesser of \$875,000 or more than 5% of TPT revenues. To be eligible to receive monies, the qualifying Indian tribe must enter into an initial compact with the state by September 1, 2017, to account for the use of distributed monies. The compact is required to have an initial term of at least 10 years and, after JLBC review in the last year of the compact, may be renewed for at least an additional 10 year term.



HOUSE OF REPRESENTATIVES

SB 1237

commission of Indian affairs; continuation
Prime Sponsor: Senator Begay, LD 7

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1237 continues the Commission on Indian Affairs (Commission) for eight years.

PROVISIONS

1. Continues the Commission for eight years.
2. Contains a purpose statement and a retroactive clause.

CURRENT LAW

The Commission is required to assist and support state and federal agencies in assisting Arizona's Indians and tribal Councils to develop mutual goals, design projects for achieving goals and implement their plans. The Commission must also: 1) assemble and make available facts needed by tribal, state and federal agencies to work together effectively; 2) assist Arizona in its responsibilities to Indians and Tribes by making recommendations to the Governor and the Legislature; 3) confer and coordinate with officials and agencies of other governmental units and legislative committees regarding Indian needs and goals; 4) work for greater understanding and improved relationships between Indians and non-Indians by creating an awareness of the legal, social and economic needs of Arizona's Indians; 5) promote increased participation by Indians in local and state affairs; 6) assist tribal groups in developing increasingly effective methods of self-government; and 7) assist urban Indians ([A.R.S. § 41-542](#)).

The Commission consists of the Governor, Superintendent of Public Instruction, Chief Executive Officer of the Arizona Commerce Authority, Attorney General and the following Directors, or their designees, to serve as ex officio members: 1) the Department of Health Services; 2) the Department of Transportation; 3) the Department of Economic Security; 4) the Department of Gaming; and 5) the Office of Tourism. The Governor must appoint 11 additional members, including four at large, one of whom must represent a nonprofit organization, and 7 from among the Indian tribes. Each Tribe or Tribal Council may submit names of members of its Tribe for consideration for appointment ([A.R.S. § 41-541](#)).

ADDITIONAL INFORMATION

The Fiscal Year 2017 [baseline](#) includes three Full Time Equivalent positions and \$57,400 from the state General Fund. The Senate Government and House Agriculture, Water and Lands Committee of Reference met on October 20, 2015, and [recommended](#) an eight year continuation of the Commission.



HOUSE OF REPRESENTATIVES

SB 1267

military service; postsecondary academic credit
Prime Sponsor: Senator Smith, LD 11

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1267 requires community college district governing boards and the Arizona Board of Regents (ABOR) to create policies to award academic credit to current or former members of the United States Military.

PROVISIONS

1. Requires community college district governing boards and ABOR to create policies to award academic credit to current or former members of the United States Military that may be used towards a degree.
2. Requires the number of academic credits awarded to a member be based on:
 - a. The amount of time spent on active duty service.
 - b. Skills, knowledge and competencies acquired during service, as determined by the community college district governing boards and ABOR.
3. Defines *a member of the United States Military* as a person who is currently serving or who has served in the United States Air Force, Army, Navy, Marine Corps or Coast Guard, the National Guard or a reserve unit and excludes a person who has been dishonorably discharged.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

SB 1282

public records; unduly burdensome requests

Prime Sponsor: Senator Kavanagh, LD 23

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1282 establishes a defense to any action on the denial of access to public records.

PROVISIONS

1. Provides a defense to any action on the denial of access to public records that the request is unduly burdensome or harassing.
2. Specifies that any person requesting to examine or copy public records must identify the records with reasonable particularity.
3. Makes technical changes.

CURRENT LAW

Public records and other matters in the custody of any [officer](#) must be open to inspection by any person at all times during office hours ([A.R.S. § 39-121](#)).

Any person who has requested to examine or copy public records and has been denied access to or the right to copy the records may appeal the denial through a special action in the superior court, pursuant to the rules of procedure for special actions against the officer or public body. The court may award attorney fees and other legal costs reasonably incurred in any action if the person seeking public records has sustainably prevailed. Any person wrongfully denied access to public records has a cause of action against the officer or public body for any damages resulting from the denial ([A.R.S. § 39-121.02](#)).



HOUSE OF REPRESENTATIVES

SB 1322

community colleges; expenditure limitation
Prime Sponsor: Senator Allen S, LD 6

DP Committee on Government and Higher Education

W/D Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1322 modifies the method for a community college district to calculate its expenditure limitation (EL).

PROVISIONS

1. Permits community college district governing boards to:
 - a. Accept grants or donations from the state, political subdivisions, tribal governments school districts and special taxing districts.
 - b. Engage in entrepreneurial and commercial activities.
 - c. Collect auxiliary fees.
 - d. Provide goods and services through a contract with a political subdivision or tribal government.
2. Determines the following to not be considered local revenues for the purposes of EL calculations:
 - a. Grants and donations.
 - b. Research and development, royalty, development, licensing and profit-sharing agreements that meet specified requirements.
 - c. Entrepreneurial and commercial activities.
 - d. Auxiliary fees.
 - e. Goods and services through a contract with a political subdivision or tribal government.
3. Prescribes the following formula for determining the number of Full Time Equivalent Students (FTSE) to use for EL calculations:
 - a. Determine the FTSE for state aid purposes.
 - b. Multiply the number of FTSE that are enrolled in Career and Technical Education (CTE) courses approved by the Arizona Department of Education in accordance with the Carl D. Perkins CTE Improvement Act of 2006 by 0.3 and add it to the previous number.
4. Requires the Auditor General (OAG) to separately audit the FTSE calculation for EL calculations, beginning in Fiscal Year 2017, and include the audit in current reporting requirements.
5. Permits community college districts to submit to the Economic Estimates Commission (EEC) one of the following FTSE estimates:
 - a. The most recent audited FTSE count for EL calculations.
 - b. The average of the five most recent audited FTSE counts for EL calculations.
 - c. A FTSE count that exceeds the most recent audited FTSE count for EL calculations by up to 5% if the actual FTSE count 45 days after classes begin in the current fall semester exceeds the actual FTSE count after classes began in the previous fall semester.
6. Permits community college district boards, by a two-thirds vote, to refer to the voters in the district a permanent change in the Base Limit used to determine the EL.
7. Permits permanent Base Limit changes to be authorized upon the majority of the qualified electors voting at a regularly scheduled election on the first Tuesday after the first Monday in November.
8. Requires the impact of the authorization to appear on the ballot and publicity pamphlets in the same manner as an initiative to permanently adjust the EL.

9. Requires the resolution requesting the voters approve a permanent change in the Base Limit to state:
 - a. The current Base Limit used to determine the EL.
 - b. The proposed Base Limit used to determine the EL.
 - c. The increase in EL capacity generated by a change in the Base Limit for the most recent EL.
 - d. A rationale for the request to authorize a change in the Base Limit.
10. Requires an authorized change in the Base Limit to be used to determine an EL beginning in the Fiscal Year (FY) immediately following the approval by the electors.
11. Permits, as session law, community college districts to submit to EEC the average of the ten most recent audited FTSE enrollment counts until FY 2020.
12. Repeals statute relating to bookstore revenue for EL purposes.
13. Makes technical and conforming changes.

CURRENT LAW

The [Arizona State Constitution Article 9, Section 21](#), places expenditure limitations on community college districts. The EL is determined by adjusting the expenditures of local revenues in FY 1980 to reflect the changes in the student population of each district, defined as FTSE, and the cost of living. The EEC determines the EL annually and uses the Gross Domestic Product Deflator as the change in the cost of living. *Local revenues* are defined as all monies, revenues, funds, property and receipts received by the community college district except amounts or property received from:

- Bonds or long-term obligations.
- Payment of dividends, interest, refunds, reimbursements or other recoveries.
- Amounts received in the capacity of a trustee, custodian or agent.
- Grants or aid from the federal government or its agencies, private agencies or organizations or individuals.
- Goods or services pursuant to a contract with political subdivisions, school districts, community college districts or the state.
- Tuition, fees or ad valorem taxes.

To determine state aid, FTSE is calculated pursuant to [A.R.S. § 15-1466.01](#) by adding the number of students enrolled as of 45 days after classes begin in the fall semester to the number of students enrolled 45 days after classes begin in the spring semester, dividing that number by two and adding additional short-term and open entry, open exit FTSE enrollments and skill center and adult basic education FTSE enrollment. OAG is annually required to audit the FTSE counts and submit the report to the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting by October 15.

ADDITIONAL INFORMATION

Laws 2015, Chapter 306, Section 10 established the Study Committee on Community College Finance and Expenditure Limits. The study committee met three times and did not adopt recommendations.



HOUSE OF REPRESENTATIVES

SB 1367

Assyrian genocide; monument; procedures
Prime Sponsor: Senator Barto, LD 15

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1367 authorizes the Arizona Department of Administration (ADOA) to provide for the placement of a monument in the governmental mall (mall).

PROVISIONS

1. Allows ADOA to provide for the placement of a monument in the mall dedicated to the commemoration of Assyrian Christians who were killed as a result of the Assyrian Genocide.
2. Prohibits the use of public monies to fund the monument, facilitation of state fundraising or establishment of a state fund for the deposit of monies.
3. Stipulates the fundraising and contracts for artistic design and construction of the monument are the sole responsibility of the proponents.
4. Contains a repeal date of October 1, 2019.

CURRENT LAW

A monument or memorial (monument) in recognition of or honoring a person, group, entity or event may be located in the mall only with authorization from a prior legislative act. The monument must be completed and dedicated within two years after the effective date of its authorization ([A.R.S. § 41-1363](#)). The mall is comprised of the area with a western boundary of 19th Avenue, a northern boundary of all lots bordering Van Buren Street, an eastern boundary of 7th Avenue and a southern boundary of Harrison Street ([A.R.S. § 41-1362](#)).

ADOA is required to: 1) review the concept and determine the most appropriate location that highlights the monument and preserves the integrity of the mall; and 2) submit its review and recommendations to the Legislative Governmental Mall Commission (Commission) regarding its ability to maintain the monument.

The Commission, in consultation with ADOA, must approve the final design, dimensions, location and maintenance requirements of the monument, the minimum dollar amount required for deposit in the State Monument and Memorial Repair Fund (Fund) and any statement, declaration, writing or inscription that will be imprinted or stamped on the monument. Before beginning monument construction, the proponents must enter into a contract with ADOA stipulating construction specifications ([A.R.S. § 41-1363](#)).



HOUSE OF REPRESENTATIVES

SB 1388

rulemaking exemption; one-year review
Prime Sponsor: Senator Burges, LD 22

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1388 outlines procedures for reviewing rules adopted pursuant to a one-time rulemaking exemption by the Legislature.

PROVISIONS

1. Requires any agency granted a one-time rulemaking exemption by the Legislature to review the rules within one year after adoption to determine if the rule should be amended or repealed.

Agency Report

2. Specifies an agency must prepare and obtain the Governor's Regulatory Review Council (GRRC) approval of a written report summarizing findings, supporting reasons and proposed course of action.
3. States an agency's report must include a concise analysis of the following:
 - a. the rule's effectiveness in achieving its objectives;
 - b. written criticisms of the rule received since adoption;
 - c. authorization of the rule by existing statutes;
 - d. whether the rule is consistent with statutes, other agency rules and current agency enforcement policy;
 - e. the rule's clarity, conciseness and understandability;
 - f. estimated economic, small business, and consumer impact;
 - g. any analysis submitted to the agency regarding the rule's impact on the state's business competitiveness as compared to other states;
 - h. that the agency completed any additional process required by law, if applicable;
 - i. a determination that the benefits of the rule outweigh the probable costs and the rule imposes the least burden and costs to people regulated by the rule;
 - j. a determination that the rule is not more stringent than federal law unless there is statutory authority to exceed federal law; and
 - k. whether the rule complies with requirements relating to the issuance of permits and licenses if applicable.
4. Allows an agency to include the text of proposed expedited rule in the report.
5. Permits GRRC, upon determination that a rule is materially flawed, to require an agency to propose an amendment or repeal rules within six months of GRRC's meeting considering the report that:
 - a. are not authorized by statute;
 - b. are inconsistent with other statutes, rules or agency enforcement policies resulting in a significant burden on the regulated public;
 - c. impose probable cost that significantly exceed the probable benefits;
 - d. are more stringent than federal law and there is no statutory authority to exceed the requirements of the federal law;
 - e. are not clear, concise and understandable;
 - f. does not use general permits, if applicable;
 - g. does not impose the least burden to people regulated; or
 - h. does not rely on valid scientific or reliable principles and methods.
 - i. In making a determination of validity or reliability GRRC must consider factors listed statute.
6. Allows an agency that cannot provide the written report by its due date to file for an extension.

Government Regulatory Review Council

7. Requires an agency to notify GRRC of an amendment or repeal of a rule for which GRRC has set an expiration date on.
8. Stipulates if an agency does not amend or repeal the rule by a date specified by the GRRC the rule automatically expires.
9. Requires the GRRC to file a notice of rule expiration with the Secretary of State (SOS) and notify the agency of the expiration of the rule.
10. Stipulates that the rule expires if an agency fails to submit its report, file for extension or does not submit its report within the extension period and GRRC must:
 - a. publish a notice in the next register stating the rule has expired and is no longer enforceable;
 - b. notify the SOS that the rule has expired and is to be removed from the [code](#); and
 - c. notify the agency the rule has expired and is no longer enforceable.
11. Requires GRRC to send a written notice to the agency's director 90 days before an agency's report is due.
12. Permits an agency to request an extension of up to six months by sending a written request identifying the reason and demonstrates good cause.

Miscellaneous

13. Instructs an agency to follow statutory requirements to reestablish an expired rule.
14. Defines *agency*, *council* and *rule*.

CURRENT LAW

GRRC consists of the following five members, with the Director of the Arizona Department of Administration serving as an ex officio, appointed by the Governor: 1) one member who represents the public interest; 2) at one who represents the business community; 3) one member who is a small business owner; 4) one from a list of three who are not legislators submitted by the President of the Senate; and 5) one from a list of three who are not legislators submitted by the Speaker of the House of Representatives ([A.R.S. § 41-1051](#)). An agency must prepare and transmit a rule to the GRRC and obtain GRRC's approval of the rule and its preamble and economic, small business and consumer impact statement. Within 120 days of receiving the rule and impact statement GRRC must review and approve or return part or the entire rule and impact statement ([A.R.S. § 41-1052](#)).



HOUSE OF REPRESENTATIVES

SB 1421

boards; commissions; compensation; expenses

Prime Sponsor: Senator Yee, LD 20

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1421 requires an annual review by the Office of the Auditor General (OAG) of per diem compensation and expense reimbursement for employees and members of state boards, commissions, councils or advisory committees.

PROVISIONS

1. Instructs the OAG to annually evaluate the propriety of per diem compensation and expense reimbursements of judgmentally selected state employees and members of a state board, commission, council or advisory committee.

Session Law

2. Directs each board, commission, council or advisory committee to report to the Arizona Department of Administration (ADOA) by October 1, 2016, the following amounts:
 - a. authorized compensation;
 - b. compensation paid in Fiscal Year (FY) 2016; and
 - c. expense reimbursement paid in FY 2016.
3. Requires ADOA to compile the submitted data and report the information to the Governor, President of the Senate, Speaker of the House of Representatives and submit a copy to the Secretary of State by December 15, 2016.
4. Contains a delayed repeal date of October 1, 2017.

CURRENT LAW

The [Joint Legislative Audit Committee](#) is authorized to: 1) oversee all audit functions of the Legislature and state agencies including sunset, performance, special and financial audits, special research requests and the preparation and introduction of legislation resulting from audit report findings; 2) appoint the OAG to perform all sunset, performance, special and financial audits and investigations; and 3) require state agencies to comply with findings and directions of the committee regarding sunset, performance, special and financial audits ([A.R.S. § 41-1279](#)).

The OAG is authorized to perform procedural reviews for all state agencies which may include an evaluation of administrative and accounting internal controls and reports on these reviews ([A.R.S. § 41-1279.03](#)).



HOUSE OF REPRESENTATIVES

SB 1422

board of technical registration; omnibus
Prime Sponsor: Senator Yee, LD 20

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1422 makes changes relating to the Arizona State Board of Technical Registration (BTR).

PROVISIONS

Qualifications

1. Removes the requirement of *registration* as an applicant in-training for:
 - a. architects;
 - b. landscape architects; and
 - c. home inspectors.
2. Provides a *designation* of applicant in-training for:
 - a. engineers;
 - b. geologists;
 - c. land surveyor; and
 - d. assayers.
3. Increases the minimum number of years, from six to eight, of education or experience, or both, required for qualification for professional registration as a land surveyor.
4. Changes the maximum number of years, from four to five, of study considered active professional engagement for land surveyors.
5. Stipulates a person must apply as a new candidate and pay the application fee but is *not required* to take and pass the applicable professional exam if the registration or certification has been invalid for:
 - a. less than five years; or
 - b. at least five years but the person has practiced as a licensed, certified or registered professional in another jurisdiction for five years.
6. Requires a person to apply as a new candidate, pay the application fee *and* take and pass the professional exam if the registration or certification has been invalid for five or more years and the person has not practiced as a licensed, certified or registered professional in another jurisdiction for five years.

Home Inspectors

7. Requires a home inspector to file financial assurances before any fee-based home inspection is performed.
8. Specifies the financial assurances bond must be retroactive to the certification date.
9. Removes the ability to use a financial assurance mechanism with a value of at least \$25,000.
10. Requires all certified home inspectors whose certifications have been canceled due to expiration to apply as new candidates and pay the application fee.
11. Exempts home inspectors from the exam if they have taken and passed the board-approved national exam within two years.

Home Inspector Rules and Standards Committee (Committee)

12. Eliminates the requirement that the Committee must make recommendations within six months of a BTR request.
13. Removes the Committee's ability to initiate recommendations at any time it deems appropriate.

Miscellaneous

14. Specifies that one of the three professional registered engineers appointed by the Governor to the BTR must be a civil engineer.
15. Eliminates the annual report to the Governor, Secretary of State and the clerk of each county board of supervisors listing the names of any person registered or certified by BTR.
16. Declares that a registrant who is being investigated has access to complaint and investigation assessments.
17. Replaces the defined term *built plans* with *record documents*.
18. Makes various technical and conforming changes.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION

Removes references to professional registration requirements for assayers to fix bendability issues with [SB 1256](#) which would have resulted in two different version of [A.R.S. § 32-122.01](#) being published.

CURRENT LAW

BTR licenses, investigates and conducts examinations of architects, assayers, engineers, geologists, home inspectors, landscape architects and surveyors. The nine-member board is appointed by the Governor to serve three-year terms ([A.R.S. § 32-102](#)).

The five-member Committee is responsible for drafting and recommending to BTR: 1) criteria for home inspector certification; 2) standards for home inspection reports; 3) standards for written examinations; 4) standards for educational programs including course of study, home inspector-in-training programs and continuing education; 5) rules defining conduct; and 6) recommendations for types of financial assurances for home inspectors ([A.R.S. § 32-111](#)).

ADDITIONAL INFORMATION

The Fiscal Year 2017 [baseline](#) includes \$2,122,600 and 25 Full-Time Equivalent Positions from the Technical Registration Fund.

The Senate Commerce and Workforce Development and House Commerce Committee of Reference met on December 9, 2015, and [recommended](#) the continuation of BTR for eight years.



HOUSE OF REPRESENTATIVES

SB 1500

industrial commission of Arizona; omnibus
Prime Sponsor: Senator Yee, LD 20

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1500 continues the Industrial Commission of Arizona (ICA), the Occupational Safety and Health Advisory Committee, the Boiler Advisory Board, with modifications, and the Occupational Safety and Health Review Board (Review Board) for eight years. Makes various changes to ICA per diem and requirements of the Arizona Division of Occupational Safety and Health (ADOSH).

PROVISIONS

1. Continues the following for eight years:

- a. the ICA;
- b. the Occupational Safety and Health Advisory Committee;
- c. Boiler Advisory Board; and
- d. Review Board.

ICA

2. Specifies that a Commissioner receives per diem for each day the Commissioner prepares for or attends an ICA meeting rather than each day the Commissioner *performs their duties*.
3. Requires Commissioners to provide the ICA Director documentation explaining the duties completed for the day the Commissioner is seeking per diem.
4. Permits the ICA Director to deny per diem for failure to provide documentation or if the duties were not related to preparing for or attending an ICA meeting.
5. Stipulates the ICA Director is appointed by Governor, rather than the appointed by the ICA with consent of the Senate.

ADOSH

6. Requires ADOSH to contract with Office of Administrative Hearings (OAH) to conduct hearings and adjudicate contested cases on an employer filing a notice of contest, conditional upon federal approval.
 - a. Instructs the ICA Director to notify Legislative Council by January 15, 2019, of the date the condition was or was not met.
7. Stipulates OAH decisions are subject to appeal to the Review Board.
8. Permits the ADOSH Director, or their authorized agent, and the ICA to consider violations of an employer's substance abuse policies as evidenced by test results or other impairment in deciding to recommend and issue a citation.
9. Prohibits an ADOSH employee or the ICA from:
 - a. communicating that the employer should not be represented by an attorney and that the employer may be treated more favorably if not represented;
 - b. conducting an audio recording of an oral statement during an interview without the person's knowledge and consent; and
 - c. obtaining a written statement during an interview without informing the person of their right to receive a copy of the written statement within a reasonable time.
10. Requires the person to be informed of their right to receive a copy of the recorded oral statement within a reasonable time.
11. Repeals the authority of the ICA to require the attendance and testimony of witnesses and the production of evidence under oath.
12. Requires ADOSH to:
 - a. certify special inspectors;

- b. inspect boilers and lined hot water storage heaters *until* July 1, 2017; and
- c. establish a schedule to require regular boiler and lined hot water heater inspections.

Boilers Advisory Board (Board)

13. Codifies establishment of the Board to assist the ICA in drafting standards and regulations for boilers and lined hot water storage heaters consisting of the following members appointed by the ICA:
 - a. one member representing the boiler or lined hot water storage manufacturer industry;
 - b. one member representing a public utility;
 - c. one member representing the insurance industry;
 - d. one member who is an owner or operator of a boiler or lined hot water storage heater; and
 - e. one member who is a licensed contractor.
14. Directs the initial members to assign themselves by lot to terms of one or two years and stipulates subsequent members serve three-year terms.
15. Requires the Board to:
 - a. meet at least annually and on the call of the ICA; and
 - b. annually elect a chairperson from amongst its membership.
16. Specifies that the ICA determines the time and place of Board meetings.

Miscellaneous

17. Removes regulation of [private employment agents](#) by the ICA due to the sunset of the Employment Advisory Council.
18. Requires every employment agent to reasonably ensure any representations made are true and cover all the material facts affecting the employment in question and classifies the failure to comply as an unlawful practice in accordance with [consumer fraud](#).
19. Modifies the definition of *trade secret*.
20. Contains a conditional enactment clause as noted.
21. Makes technical and conforming changes.

CURRENT LAW

The ICA is composed of five Commissioners, no more than three of whom may belong to the same political party, appointed by the Governor with consent of the Senate to serve a five-year staggered term. Each Commissioner receives a salary of \$50 per day for each day the Commissioner performs duties. The Governor may remove a member for inefficiency, neglect of duty, malfeasance, misfeasance or nonfeasance in office ([A.R.S. § 23-101](#)). The ICA is set to sunset on July 1, 2016 ([A.R.S. § 41-3016.01](#)).

The ICA is required to employ a Director who is subject to confirmation by the Senate and serves at the pleasure of the Governor. The ICA Director, under supervision of the ICA, is required to administer the policies, power and duties relating to employment practices and working conditions, workers' compensation, and private employment agents ([A.R.S. §. 28-108.01](#)).

The ICA must appoint an ADOSH Director and cooperate with the federal government to establish and maintain an occupational safety and health program as effective as the federal occupational safety and health program, excluding mining operations, Indian reservations and federal employees ([A.R.S. § 23-405](#)). ADOSH is required to inspect boilers and lined hot water storage heaters, recommend standards, regulations and amendments to the ICA for approval or disapproval and enforce all standards and regulations adopted by the ICA ([A.R.S. § 23-475](#)). ADOSH may issue certificates as a special inspector for any inspector employed by an authorized company insured against loss from explosion of boilers or lined hot water storage heaters, as requested ([A.R.S. 23-485](#)).

The [Occupational Safety and Health Advisory Committee](#) and the [Boiler Advisory Board](#) are established to assist the ICA in drafting standards and regulations and are set to sunset on July 1, 2016 ([A.R.S. § 41-3016.02](#) and [41-3016.03](#)).

The ICA is exempt from the Uniform Administrative Hearing Procedures for [contested cases](#) or appealable agency actions ([A.R.S. 41-1092.02](#)). The [Review Board](#), composed of five members appointed by the Governor, is established to hear and rule on appeals of ADOSH Administrative Law Judge decisions and is set to sunset on July 1, 2016 ([A.R.S § 41-3016.05](#)).

ADDITIONAL INFORMATION

The Senate Commerce and Workforce Development and House Commerce Committee of Reference met on August 25, 2015, and recommended the continuation of the Occupational Safety and Health Advisory Committee, the Boiler Advisory Board and the Review Board for eight years.

The ICA and the Employment Advisory Council [did not receive a favorable recommendation](#) for continuation. The Employment Advisory Council is set to sunset on [July 1, 2016](#).



HOUSE OF REPRESENTATIVES

SB 1504

drop box; private property; consent

Prime Sponsor: Senator Kavanagh, LD 23

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1504 requires approval prior to the placement of a drop box on private property.

PROVISIONS

1. Requires notarized approval signed by the private property owner or their authorized agent before any person places a drop box on private property, provided compliance with applicable property covenant, condition or restriction requirements (requirements).
2. Stipulates all drop boxes must display the name and contact information of the drop box owner in a clear and conspicuous manner.
3. Requires removal of the drop box by the owner within 10 business days after receipt of the notification rescinding permission.
4. Permits the private property owner or their authorized agent to:
 - a. rescind permission of the drop box placement at any time and requires notification by certified mail to the owner's address listed on the drop box;
 - b. dispose of the drop box and its contents if the drop box is not removed after 10 business days; and
 - c. remove, at any time and without notification, any drop box placed on private property without notarized consent.
5. States a private property owner or their authorized agent is not liable for losses associated with the removal of a drop box and its contents.
6. Exempts the following, provided compliance with applicable requirements:
 - a. a drop box located on private property owned by the drop box owner;
 - b. a written license or lease agreement or written contract between the private property owner and the drop box owner; and
 - c. an existing tenant on private property provided that the tenant obtains prior approval where the drop box is located.
7. Allows a city, town or county to adopt non-conflicting ordinances or resolutions to regulate drop boxes.
8. Specifies there is no additional liability, responsibility or duty on another tenant or lessee of the private property.
9. Defines *drop box* and *private property owner's authorized agent*.
10. Contains a legislative findings clause.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

SB 1494

insurance; prohibited inducements; exceptions

Prime Sponsor: Senator Farnsworth D, LD 16

DPA Committee on Insurance

X Caucus and COW

House Engrossed

OVERVIEW

SB 1494 allows a life or disability insurer to offer an incentive to a policyholder to participate in a feedback effort conducted by a third party.

PROVISIONS

1. Allows an insurer to retain an independent third party to conduct a customer feedback effort for the purpose of improving the quality of the insurer's products or services.
2. Permits an insurer to offer a reasonable incentive of up to \$200 to an insured business or individual for participation in the feedback effort.
3. Prohibits an insurer from offering, referencing, or promoting an incentive or feedback effort that is connected with an application for or renewal of insurance coverage.
4. Defines *feedback effort* as activities that are designed to elicit customer perceptions on predetermined set of topics that are related to the insurer's products or services, including in person, telephonic or online surveys, polls, focus groups, interviews, questionnaires and other recognized opinion gather mechanisms.

AMENDMENTS BY INSURANCE COMMITTEE

1. Permits insurers, other than life or disability, to offer a feedback effort.

CURRENT LAW

An insurer is prohibited from paying or giving, or offering to pay or give, directly or indirectly, any rebate of premiums, or any special favor or advantage in the dividends or other benefits as an inducement to such insurance policy or annuity contract ([A.R.S. § 20-449](#) and [A.R.S. § 20-451](#)).

Pursuant to [A.R.S. § 20-452](#), an insurer or insurance producer cannot offer, sell, buy, or give any of the following as an inducement to insurance or in connection with any insurance transaction:

- a. Employment,
- b. Shares of stocks or other securities,
- c. Any contract providing or promising any special profits, or
- d. Any prizes, goods, or tangible property of an aggregate value of more than \$25.



HOUSE OF REPRESENTATIVES

SB 1132

executive clemency board; salary; duties

Prime Sponsor: Senator Kavanagh, et al., LD 23

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1132 permits members the Board of Executive Clemency (Board) to receive a salary and paid leave, rather than being paid hourly, and prohibits the Chairman of the Board to act as Executive Director.

PROVISIONS

1. Stipulates that members of the Board must serve on a full-time basis and receive a salary as determined by the Department of Administration, rather than hourly compensation.
2. Permits members of the Board to receive paid leave.
3. Removes the ability of the Chairman of the Board to act as the Executive Director.
4. Stipulates that the Executive Director serves at the pleasure of the Board and reports to the Board through the Chairman of the Board.
5. Requires hearing officers to conduct probable cause hearings on community supervision revocations and rescissions.

CURRENT LAW

The Board currently has five members, who are appointed by the Governor and compensated on an hourly basis. The Board has exclusive power to pass upon and recommend reprieves, commutations, paroles and pardons to the Governor for any person who committed a felony offense (A.R.S. §§ [31-401](#) and [31-402](#)). The Governor is required to select a member of the Board to act as a Chairman and the Board must employ an Executive Director to perform all administrative, operational and financial functions of the Board. Statute permits the Chairman of the Board to act as Executive Director.

ADDITIONAL INFORMATION

In a [report](#) submitted in September of 2014, the Office of the Auditor General recommended that the Board separate the combined Board Chairman and Executive Director positions.



HOUSE OF REPRESENTATIVES

SB 1439

prisoners; mental health; transition program

Prime Sponsor: Senator Barto, LD 15

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1439 requires the Director of the Department of Corrections (ADC) to establish a Mental Health Transition Pilot Program (Program).

PROVISIONS

1. Requires the Director of ADC to establish the Program for individuals on community supervision who would be determined to benefit from the Program.
2. Allows the Director of ADC to order a prisoner to participate in the Program.
3. Requires the Program to include:
 - a. Private entities or nonprofits that have transitional navigators who provide resources and guidance to individuals with mental health issues; and
 - b. Psychoeducational counseling and case management, which include substance abuse treatment, cognitive skills training, anger management, parenting skills and family reunification training.
4. Requires the Director of ADC to determine who may be eligible for the Program, by identifying prisoners who would benefit the most from the Program's goals.
5. Establishes mandatory participation goals, as follows:
 - a. In fiscal year (FY) 2017, at least 600 prisoners;
 - b. In FY 2018, at least 800 prisoners; and
 - c. In FY 2019 and thereafter, at least 1,000 prisoners.
6. Terminates the Program on July 1, 2026.
7. Makes technical and conforming changes.

CURRENT LAW

[A.R.S. § 41-1604.07](#) requires ADC to establish appropriate conditions of community supervision for eligible prisoners. The Director of ADC is permitted to order a released inmate to participate in a drug treatment or educational programs that is administered by a qualified entity who provides substance abuse treatment or educational services. Statute specifies that an eligible inmate must pay for these services, to the extent that they are able.



HOUSE OF REPRESENTATIVES

SB 1513

submarine memorial; delayed repeal

Prime Sponsor: Senator Driggs, LD 28

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1513 extends the required completion date of the United States Submarine Veterans Memorial (Memorial).

PROVISIONS

1. Requires the Memorial to be completed and dedicated to Arizona by September 1, 2020.
2. Extends the repeal date to October 1, 2020.
3. Makes technical changes.

CURRENT LAW

[Laws 2014, Chapter 227](#), states the Department of Administration may authorize the placement of the Memorial in Wesley Bolin Plaza by October 1, 2017. Public monies may not be used to help with costs related to the Memorial and the state is prohibited from establishing any kind of fund to help defray costs associated with the Memorial.

[A.R.S. § 41-1363](#) provides that an approved monument or memorial must be completed and dedicated to Arizona within two years after the effective date of the legislative act authorizing the monument or memorial.



HOUSE OF REPRESENTATIVES

SB 1521

authorized payroll deductions; associations
Prime Sponsor: Senator Smith, LD 11

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1521 modifies the number of employees required to be in certain recognized associations, for which state officers or employees can authorize payroll salary deductions to be made from their salaries or wages for the payment of dues.

PROVISIONS

1. Permits state officers or employees to authorize payroll salary deductions to be made from their salaries or wages for the payment of dues in a recognized association, that is composed of:
 - a. At least 350 state employees, rather than 1,000, that are not employees of the state universities, the Department of Public Safety (DPS) and academic personnel of the Arizona state schools for the deaf and the blind;
 - b. At least 350 state employees, rather than 500, that are certified as peace officers by the Arizona Peace Officer Standards and Training Board (AZPOST); or
 - c. A combination of these two categories, comprising at least 800 state employees.
2. Makes technical changes.

CURRENT LAW

A.R.S. § 38-612 prohibits payroll salary deductions from the compensation of state officers or employees, unless specifically authorized by federal law or regulation or by state statute. State officers or employees may authorize deductions to be made from their salaries or wages for the payment of dues in a recognized association that is comprised principally of employees and former employees of agencies in this state that are:

- Comprised of at least 1,000 state employees, not including employees of state universities, DPS or academic personnel of the Arizona state schools of the deaf and blind;
- When comprised of at least 25% of the academic personnel or of the nonacademic employees of any state university;
- When comprised of at least 25% of the academic state schools of the Arizona state schools for the deaf and blind; or
- When comprised of at least 500 state employees who are certified as peace officers by AZPOST.



HOUSE OF REPRESENTATIVES

SCR 1013

coast guard auxiliary; recognition

Prime Sponsor: Senator Smith, LD 11

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SCR 1013 asserts that the Legislature recognizes the Arizona members of the United States Coast Guard Auxiliary (USCGA).

PROVISIONS

1. Asserts that the Legislature:
 - a. Recognizes the work of the Arizona members of the USCGA; and
 - b. Commends these members for their role in the mission of the United States Coast Guard.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

SB 1490

transportation funding; task force

Prime Sponsor: Senator Worsley, LD 25

DPA Committee on Transportation and Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

SB 1490 establishes the Surface Transportation Funding Task Force.

PROVISIONS

1. Creates the Surface Transportation Funding Task Force (task force) consisting of seven members:
 - a. three members appointed by the Governor,
 - b. two members appointed by the President of the Senate, and
 - c. two members appointed by the Speaker of the House of Representatives.
2. Requires the appointment of members to be made within 30 days after the effective date.
 - a. Stipulates if 40 days after the effective date all members have not been appointed the appointing authorities shall jointly fill the remaining unfilled positions.
3. Requires each member appointed to have at least 10 years of experience in:
 - a. State or local taxation,
 - b. revenue forecasting,
 - c. economic forecasting,
 - d. municipal debt issuance, or
 - e. state or local government finances in this state.
4. Specifies that a member may not hold elected public office or be employed by a transportation planning agency during the time served on the task force or for five years after the time they were appointed.
5. States no more than four members can reside in any one county and the remaining members must be residents of at least three different counties.
6. Requires the Governor, in consultation with the President of the Senate and the Speaker of the House of Representatives, to designate a task force chairperson and vice-chairperson.
7. Mandates the task force to:
 - a. review the existing reports and analyses regarding transportation needs and revenue sources in Arizona;
 - b. recommend specific revenue proposals for dedicated funding sources for principal interstate highways in Arizona that are sufficient to meet projected interstate freight capacity needs for twenty years;
 - c. recommend specific revenue proposals for dedicated incremental funding sources for the highway user revenue fund (HURF) that are sufficient to meet the statewide needs of the state highway system and associated proportionate funding for local government recipients of highway user revenues based on the highway user revenue distribution requirements;
 - d. recommend specific revenue proposals for dedicated funding sources for the entire Department of Public Safety Highway Patrol costs excluding any monies from HURF;
 - e. recommend specific revenue proposals for dedicated funding options for regional state highway system and highway capacity needs for 20 years;
 - f. recommend specific revenue proposals for dedicated funding options for local city, town and county roads and streets;
 - g. conduct a statewide study in consultation with the Department of Administration (ADOA) to identify vacant or underused buildings owned by the state and determine if selling them could provide funding for transportation projects;
 - h. prioritize the recommendations if the task force recommends more than one proposal;
 - i. engage in any other related duties as determined by the task force members.

8. Requires the task force to meet at least monthly at the state capital in a hearing room at either the Senate or the House of Representatives.
9. Stipulates a task force member's position will be considered vacant after:
 - a. a member misses two consecutive meetings and a new member is appointed by the appointing authority within 20 days after the second missed meeting; or
 - b. a member misses at least three meetings and a new member is appointed by the appointing authority within 20 days after the third missed meeting.
10. Mandates the task force to provide a progress report every three months and submit a final report of its findings and recommendations before December 31, 2016 to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Secretary of State.
11. Requires any that staff support the task force requests to be from any of the following:
 - a. the Department of Administration,
 - b. the Department of Transportation,
 - c. the Department of Revenue,
 - d. the Arizona Commerce Authority,
 - e. other executive branch personnel,
 - f. staff of the Joint Legislative Budget Committee,
 - g. any municipal planning organization in this state,
 - h. staff of the Senate, or
 - i. staff of the House of Representatives.
12. Appropriates \$250,000 from the state General Fund in fiscal year 2015-2016 to ADOA to conduct the statewide study to identify vacant or underused buildings owned by the state.
13. Requires ADOA to conduct the study in consultation and cooperation with the task force.
14. States the appropriation is exempt from lapsing of appropriations.
15. Contains a delayed repeal date from and after June 30, 2017.
16. Contains an emergency clause.

AMENDMENTS BY THE TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

Adds two members to the taskforce that will be appointed by the Governor; one who has at least ten years of transportation experience who is employed by a trucking company based in Arizona, and one who has at least ten years of transportation experience who represents a credible highway user group that represents the motoring public.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

SB 1157

small property tax balance delinquency

Prime Sponsor: Senator Burges, LD 22

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

SB 1157 delays the date of delinquency for property taxes equaling \$100 or less from November 1 to December 31.

PROVISIONS

1. Extends the date of delinquency for property taxes equaling \$100 or less from November 1 to December 31.
2. Makes technical changes.

CURRENT LAW

A.R.S. § 42-18052 specifies the dates in which property tax payments are due and when they are delinquent. If a taxpayer owes \$100 or less in property taxes, the entire amount is due on October 1 of each year and is considered delinquent if not paid by November 1 at 5:00 P.M.



HOUSE OF REPRESENTATIVES

SB 1523

truth in taxation; levy increases

Prime Sponsor: Senator Smith, LD 11

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

SB 1523 directs a political subdivision governing body to approve any proposed tax levy increase of 15% or more, excluding increases due to new construction, by a roll call vote.

PROVISIONS

1. Requires a proposed community college district, county or municipal tax levy that increased by 15% or more from the previous year, excluding increases due to new construction, to be approved by the jurisdiction's governing body by a unanimous roll call vote.
2. Makes technical changes.

CURRENT LAW

Laws 1997, Chapter 150 established the Truth in Taxation (TNT) notice and hearing requirements. The TNT law requires public disclosure from political subdivisions proposing an increase in their primary property tax levy from the prior year. If a community college district, county, city or town's proposed primary property tax levy, excluding amounts attributable to new construction, is greater than the amount levied in the year prior, the taxing jurisdiction must publish a notice and hold a public hearing to educate the public. The hearing must be noticed in a specified manner, informing taxpayers of the intent to raise the primary property taxes over the prior year's level. The political subdivision governing body must consider a motion to levy the increased property tax by a roll call vote. While the political subdivision may increase property taxes, if it meets TNT requirements, it is still prohibited from exceeding its levy limit (A.R.S. §§ 15-1461.01 & 42-17107).